

FBIS**DAILY REPORT
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YPFB OFFICIAL ANNOUNCES OIL IMPORT PLANS

PY221342 La Paz INFOBOL Diplomatic Information Service in Spanish 0705 GMT 22 Feb 79 PY

[Text] Jose Patino, general manager of Bolivian Government Oil Deposits [YPFB], has announced that within 10 months Bolivia will become an importer of crude oil to meet its internal needs.

He stressed that Bolivia, in converting from an exporter to an importer, will have to spend approximately \$500 million over the next 10 years. He also emphasized that, as an immediate measure, Bolivia will have to move toward the utilization of natural gas on a large scale, bringing it to the centers of industrial and domestic consumption. To do this, he said, there is a program for the construction of pipelines from Santa Cruz to Cochabamba, Oruro and La Paz, a project which will take 2 years to complete.

He states that YPFB is exerting all its efforts in the search for new deposits of hydrocarbons and, to that end, it will make important investments for drilling a large number of exploratory wells and producing wells in an attempt to strengthen reserves and increase production.

FINANCE MINISTER DISCUSSES CAUSES OF ECONOMIC ILLS

PY161400 La Paz Radio Panamericana Network in Spanish 1130 GMT 16 Feb 79 PY

[Text] In view of the fact that the country is now facing a very serious financial problem as a result of the delicate or critical economic situation, the government has decided to take steps which are basically aimed at reducing the fiscal budget deficit.

This announcement was made yesterday at a press conference by Finance Minister Wenceslao Alba, who said that the economic situation of the country began to deteriorate during the 1974 budget year and almost reached a disastrous conclusion in 1978. The minister gave a detailed report of the measures taken since 1974, explaining that in that year the prices of the primary Bolivian export products improved substantially and that the government then began to carry out an ambitious investment program, obtaining during that period an average growth rate which [words indistinct] was about 5 percent.

Minister Alba explained, however, that the growth caused serious fiscal problems since (?state expenditures) increased at an accelerated rate while fiscal incomes increased only at a very modest rate. To a large extent this was due to the low level of petroleum production and the subsidies paid for domestic consumption of that product, as well as the low mineral prices worldwide which suffered a decline in 1975 [words indistinct]. As a result, he said, the entire public sector showed a huge fiscal deficit: 12 percent of the gross domestic product in 1978. Most of this deficit was financed by foreign loans, mainly from commercial banks. In this manner the foreign debt increased from \$790 million in 1974 to an estimated \$1.8 billion at the end of 1978. Minister Alba said that this level of indebtedness surpasses the limits which the country can endure in its normal economic development. Strict control is therefore necessary to prevent the situation from becoming even more serious.

At the same time, the uncontrolled credit expansion by private banks and successive salary increases resulted in additional pressure and additional demand (?which produced) a wide gap in the current balance of payments.

Summing up, Minister Alba said that the present financial situation of the country is delicate and in order to safeguard the economy of the people the government has decided to take the following measures: the deficit of the public sector is to be reduced by means of austerity and rationalization of expenditures; greater government revenue; and, particularly, strict control over the operations of state enterprises.

The government has established the 1979 budget of the general treasury of the nation with a deficit of 530 million Bolivian pesos. Last year the deficit was 1,750 million Bolivian pesos. For this reason, no salary increase is foreseen for the public sector during this budget year. Regarding the private sector, the minister said, it would be much more beneficial for the workers, although this may seem contradictory, to ABSTAIN from requesting salary increases in order not to harm the economy of the nation.

The minister also promised that the foreign debt will be placed under strict control and that no loans whatsoever will be permitted from commercial banks, freely available [word indistinct] to increase expenditures. He also said that credits from private banks will be increased only in accordance with the need to maintain a reasonable growth of the economy, without in any way (?affecting) the general price level.

He concluded by saying that the granting of customs franchises, which in the past has contributed significantly to the fiscal deficit, will be kept under control and that this unsuitable and harmful measure will be avoided as much as possible.

BOLIVIAN-SOVIET PROJECT SUSTAINS SERIOUS DAMAGE IN LANDSLIDE

PY220128 La Paz Radio Panamericana Network in Spanish 0000 GMT 22 Feb 79 PY

[Excerpts] The damage caused by a landslide to the installations of the La Palca volatilization plant in Potosi are enormous. It was even disclosed that the completion of the plant may be delayed for 1 year. Mining Minister Gen Jorge Echazu demonstrated the government's concern by personally touring the plant yesterday to view the damage caused by the torrential rains.

Soviet and Bolivian technicians in charge of the plant's construction are now working to clean up the debris. The minister said that the landslide leveled a brand new chimney recently built at the plant, and many parts have been requested from the Soviet Union to replace those that were completely destroyed.

The La Palca volatilization plant is being built with the help of Soviet experts from Mashinexport and Bolivians from the Mining Corporation of Bolivia [COMIBOL]. It is one of the most important projects undertaken by that state enterprise in this area.

The mining minister said the government will contract a foreign company to investigate the causes of the landslide. It is presumed that the studies conducted on the construction site's soil did not correctly determine its building capacity. He also said that the insurance actually does not cover the entire amount of investments in the La Palca volatilization plant. Reports from COMIBOL say the total cost of the plant is \$76 million.

FOUR PARTIES SEEK ELECTORAL COURT REGISTRATION

PY221340 La Paz INFOBOL Diplomatic Information Service in Spanish 0720 GMT 22 Feb 79 PY

[Text] Four political parties have asked to be registered at the National Electoral Court for participation in the July elections.

They are the Gutierrez sector of the Bolivian Socialist Falange [FSB], the Moreira sector of the FSB, the Christian Democratic Party and the Bolivian Workers Revolutionary Party.

Electoral court officials are now studying each of the requests presented so far for recognition of their legal-political status, registration of their doctrinal and action programs and approval of their statutes.

As a result of recent negotiations between the Historic National Revolutionary Movement and the Authentic Revolutionary Party on one side and the Christian Democratic Party on the other, the Victor Paz-Luis Ossio formula has reportedly been agreed upon for participation in the July elections. The front has reported that it will begin its campaign after the carnival celebrations.

The National Revolutionary Movement of the Left will begin its first national congress "for the purpose of nominating a vice presidential candidate to be proposed to the Democratic and Popular Unity Front."

BANZER RELEASES POSITION PAPER ANNOUNCING CANDIDACY

PYL61657 La Paz Radio Panamericana Network in Spanish 1130 GMT 16 Feb 79 PY

[Text] Former President Hugo Banzer Suarez has made an appeal to all sectors of the country to contribute to national democratization through a political and social action which offers the country a clear prospect to institutionalize, carry on and improve the Bolivian revolution. The former president's proposals were read yesterday by Gen Alfonso Villalpando Armaza, former army commander, at a press conference (?on behalf of) General Banzer.

In a document delivered to the news media, the former president (?maintained) that the present democratization process which the country is experiencing was initiated by his government when Bolivia was enjoying, both internally and externally, prestige and total confidence in the future.

In another paragraph of the statement it was said that the lack of options, the weakness and ineffectiveness of new organizations, the total [word indistinct] of the political organizations and patterns, despite their participation in the first years of his government, form a picture which unfortunately still persists. The [word indistinct] or the new generations should be based on austerity, a complete opening and the elimination of barriers which have caused the frustrations of past generations.

The document also says that as a soldier he will not back down, before anything or anyone, from defending the dignity of Bolivians or struggling for the common good of the fatherland.

[Begin Villalpando recording] [Words indistinct] I therefore wish [word indistinct] the democratization process, begun by my government, to achieve its improvement by a common effort. I cannot permit the process I initiated to be destroyed.

The political stability of the country is important and the armed forces should safeguard it. [Words indistinct] the tutelary institution of the fatherland will be a guarantee for the consolidation of the [words indistinct]. [end recording]

When referring to the armed forces, he (?asked them) to maintain the necessary serenity and cohesion to continue their function as the basis of national unity. [passage indistinct]

(?Villalpando) announced that Gen Hugo Banzer Suarez will be a candidate for the presidency in the coming elections. Gen Alfonso Villalpando Armaza is the president of the Central Committee of the political current supporting the former president. [passage indistinct]

The former army commander said when asked whether the group he represents will forge a common political front with former President Rene Barrientos Ortuno's followers that the doors are open to all nationalists to organize a new movement which is not circumscribed by the usual rules but which offers the country new prospects.

He then justified the drastic measures taken after 21 August 1971, when then-Col Hugo Banzer Suarez took over the presidency, by saying that the political conditions of that time made it necessary to take certain measures in the country. However, he stressed the defense of democracy undertaken by the former president and gave as an example the call to elections made by his government which subsequently had to be annulled because of the irregularities which occurred.

BRIEFS

AIR FORCE CHIEF TO TAIWAN--La Paz, 21 Feb (AFP)--Gen Gaston Lupo, commander in chief of the Bolivian Air Force, left today for Taiwan, where he will visit Taipei and other cities at the invitation of government authorities. [Paris AFP in Spanish 0019 GMT 22 Feb 79 FY]

PRC DELEGATION HERE TO DISCUSS PETROLEUM EXPLOITATION

Talks on Energy Technology Begin

FY212121 Rio de Janeiro JORNAL DO BRASIL 20 Feb 79 p 16 FY

[Text] Brasilia--The Mendes Junior construction firm of Minas Gerais State may build a hydroelectric plant at the mouth of the Yangtze River in the People's Republic of China with an installed power of 2.4 million kw. A delegation of Chinese officials and experts linked to this project will arrive in Brazil on 5 March to hold negotiations with officials of the Brazilian enterprise and to visit hydroelectric projects.

The negotiations between the Brazilian enterprise and the Chinese began approximately 6 months ago and continued with the visit to China by Mines and Energy Minister Shigeaki Ueki in November. At that time, the minister tried to give the Chinese a better idea of the level of sophistication achieved by Brazilian technology concerning large dams and electromechanical equipment.

Because the Chinese officials expressed their interest in becoming better acquainted with the Brazilian stage of development in the area of energy, Minister Ueki invited them to visit Brazil. A Chinese mission specializing in petroleum and headed by Vice Minister of the Petroleum Industry Zhang Wenbin arrived in Brazil last Saturday. Yesterday they visited Itamaraty and the mines and energy minister.

A delegation on hydroelectric energy and another specializing in nuclear energy will arrive on 5 March. Of the three delegations, only the one on hydroelectric energy will come with a specific purpose--to carry on the negotiations with Mendes Junior. The other delegations will only make familiarization and courtesy visits. China has problems similar to those of Brazil in producing and refining petroleum (although it is a major oil producer with a production of approximately 1.5 million barrels daily and exports equivalent to one-third of this total). Therefore, the Chinese mission wants to visit inland production fields in Bahia State, petrochemical centers, the Campos Basin oilfield, the Duque de Caxias refinery, and the Brazilian Petroleum Corporation's research center in Rio de Janeiro.

The same also applies to nuclear energy. According to remarks made by Minister Ueki after his visit, China is planning to increase its small installed capacity in nuclear reactors to diversify the country's energy sources. Therefore, it is willing to learn about the nuclear programs of other countries, including Brazil.

Although the schedule of the delegation on hydroelectric energy has not yet been completed by the office of the mines and energy minister and by the Chinese Embassy, in addition to meeting the directors of the Mendes Junior firm, they will visit several hydroelectric projects, including Itaipu, Tucuruí and Itumbiara.

The export to China of electromechanical equipment for hydroelectric plants is not being considered in principle. China's intention is to obtain the technology to build turbines, generators and other electrical components.

Although Brazil is today the world's leading manufacturer of hydroelectric equipment, production is implemented through enterprises which are subsidiaries of large international groups possessing the technology. It has been reported that if this technology is to be transferred to China, the logical thing would be to do so directly through the respective home offices instead of the subsidiaries.

In any case, the infrastructure work of the hydroelectric project at the mouth of the Yangtze River alone should represent a \$300- to \$400-million contract.

Oil Imports From PRC To Increase

PY202327 Paris AFP in Spanish 2034 GMT 20 Feb 79 PY

[Text] Brasilia, 20 Feb (AFP)--Brazil will progressively increase its purchases of oil from China during the next few years, according to a preliminary agreement reached here by PRC's Vice Minister of Petroleum Zhang Wenbin.

Brazil will import between 800,000 and 1 million tons of Chinese oil this year (between 16,000 and 20,000 barrels per day). These purchases will reach between 1 million and 1.5 million tons in 1980. The total amount of imports could be increased later, according to the availability of Chinese oil and Brazil's needs, reports published here today indicated.

Brazil now imports a total of more than 40 million tons of oil per year (more than 800,000 barrels per day), mainly from the Middle East.

The Chinese vice minister of the petroleum industry spent 3 days in Brasilia and will continue his visit to Brazil at the head of a delegation of oil specialists. During the next few days, he will visit Salvador, Sao Paulo and Rio de Janeiro.

Greater Brazilian-PRC Cooperation Sought

PY212111 Rio de Janeiro O GLOBO in Portuguese 20 Feb 79 p 19 PY

[Excerpts] Brasilia--The PRC could implement petroleum exploitation by means of risk contracts should this prove to be compatible with Beijing's political regime as well as being economically feasible within the framework of Chinese oil deals.

The PRC has been experiencing severe difficulties in its attempts to increase oil production due to the obsolescence of its technology and equipment. For this reason, the Chinese are interested in studying Brazilian prospecting and oil industrialization methods, which they consider to be good.

Today the PRC mission will travel to Salvador, where it will visit the Camacari petrochemical center and the Equipetrol enterprise, which is already exporting a considerable quantity of equipment for the Chinese oil industry.

From Bahia, the Chinese will go to the Campos Basin, where they will visit PETROBRAS installations and hold a meeting with the PETROBRAS Executive Board. During this meeting they will examine the possibilities of closer cooperation between Brazil and the PRC in the oil sector.

Finally, the Chinese will go to Sao Paulo, where they hope to hold important talks with businessmen in the oil engineering field.

Mines and Energy Minister Shigeaki Ueki termed his meeting with the Chinese a "work meeting" to discuss the possibility of greater cooperation between the two countries in the oil sector.

The PRC is already providing Brazil with 16,000 barrels of oil per day in line with the agreements signed by Minister Shigeaki Ueki in Beijing last year.

The accord between the two countries has a duration of 4 years and provides for the supply of 20,000 to 30,000 barrels of oil in 1980. In 1981 and 1982, the amount of oil to be supplied will depend on the increase in trade and the availability of Chinese oil.

Zhang Wenbin, vice minister of the petroleum industry who is heading the mission, expressed his country's interest in prospecting for petroleum on its continental shelf by means of risk contracts.

UEKI DISPUTES PRESS REPORTS ON GASOLINE EXPORTS

FY161701 Porto Alegre Radio Gaucha in Portuguese 1545 GMT 16 Feb 79 FY

[Text] Mines and Energy Minister Shigeaki Ueki denied that Brazil has been exporting gasoline below production costs. Sao Paulo papers yesterday reported that the government, while increasing the price of a liter of regular gasoline to 9.60 cruzeiros, exports surplus fuel at 2 cruzeiros per liter. The minister said that these reports were untrue. Ueki explained there is sometimes a surplus of gasoline and other fuels, and Brazilian Petroleum Corporations sells them to other countries to compensate for the costs of oil imports. However, he insisted that Brazil's interests are not damaged by these transactions.

At the same time, presidential spokesman Rubem Ludwig again reasserted that for the time being drastic measures to reduce fuel consumption will not be taken. However, if it becomes necessary there could be gasoline rationing. He concluded by saying that everything depends on the international oil market.

NUCLEBRAS REPORTS ON PLANS FOR HEAVY WATER PRODUCTION

FY220131 Rio de Janeiro O GLOBO in Portuguese 21 Feb 79 p 22 FY

[Text] Brazilian Nuclear Corporations [NUCLEBRAS] reported yesterday that the production of heavy water through the utilization of laser rays--a technique developed in laboratories at the University of Campinas--may take at least 5 years to enter the pilot plants stage and 20 more years for industrial production. According to NUCLEBRAS experts, this is a highly significant technology for the country, but it will take a long time.

Thus far, NUCLEBRAS has not received any word from the National Nuclear Energy Commission on this matter, but when the moment comes for its participation, it will be ready to study "with the greatest interest the timeliness and usefulness of introducing this technology into the Brazilian nuclear program."

CREATION OF HUMAN RIGHTS INVESTIGATING COMMITTEE SOUGHT

FY220122 Rio de Janeiro JORNAL DO BRASIL in Portuguese 21 Feb 79 p 4 FY

[Text] Sao Paulo--Senator Orestes Quercia (Brazilian Democratic Movement, Sao Paulo State) announced yesterday that early in March, as soon as the National Congress reconvenes, he will propose to the Senate the creation of a congressional investigating committee to investigate cases of human rights violations which have occurred in recent years, "considering both strictly political aspects and other aspects as well, such as the existence of death squads in virtually all Brazilian states." Senator Quercia noted that there is a ceiling of five congressional investigating committees which can function simultaneously in each house of Congress, and that thus far there are four proposals for committees in the Senate. He believes that he will obtain the necessary number of signatures to create this human rights committee.

PCC, EPL VOW TO 'CONTINUE FIGHTING' FOR POPULAR REPUBLIC

PA222300 Paris AFP in Spanish 1932 GMT 21 Feb 79 PA

[Text] Bogota, 21 Feb (AFP)--In a communique sent to AFP by mail, the Communist Party of Colombia [PCC] (Marxist-Leninist) and its Popular Liberation Army [EPL] today confirmed their decision to continue the struggle until a popular republic can be established in Colombia. The clandestine communique states: "The PCC (Marxist-Leninist) and its EPL do not surrender and will never surrender to the enemy. Their forces will continue fighting until the final defeat of imperialism, social imperialism, oligarchy and all its lackeys."

The EPL is a guerrilla group comprising peasants with Maoist leanings. Last week, the Colombian Government issued a call to all urban and rural guerrilla groups to stop fighting. Justice Minister Hugo Escobar said that all Colombians, including the guerrillas, must contribute to the country's progress, which is only possible in a climate of peace.

The EPL replied by stating that "the war we are carrying out is a revolutionary war against a system of economic exploitation and political oppression supported by Yankee imperialism and the oligarchy against our people. Consequently, it can only end with the destruction of that brutal and bloodthirsty system." However, the EPL has not carried out any important actions over the past few weeks. A military bulletin attached to the communique lists only six EPL attacks since November, claiming responsibility for the killing of a military policeman on 7 November 1978 and the recovery of certain pistols and some ammunition "for the people's war."

EL TIEMPO REPORTS DEATH OF PEACE CORPS MEMBER

PA212241 Madrid EFE in Spanish 2331 GMT 20 Feb 79 PA

[Excerpts] Villavicencio, Colombia, 20 Feb (EFE)--U.S. botanist and Peace Corps member Richard Star was killed by his kidnapers, guerrillas of the Revolutionary Armed Forces of Colombia (FARC), newspaper sources have reported here.

The morning newspaper EL TIEMPO indicates that Star, who was kidnaped 2 years ago in the eastern Colombian plains, was killed after negotiations for his release between the guerrillas and his family failed.

Star, a Peace Corps member in Colombia, was kidnaped on 15 January 1977 in the foothills of the Sierra de la Macarena in the eastern plains by a Moscow-line FARC commando.

In a dispatch by correspondent Arnoldo Falla, the Bogota daily newspaper says that the American biologist's body was found hanging from a tree with the label "CIA" on his chest. The U.S. Embassy in Colombia denied from the beginning that Star belonged to the U.S. security agency.

ITALIAN VICE MINISTER MEETS TURBAY, VIEWS TERRORISM

PA211928 Bogota Radio Cadena Nacional in Spanish 1730 GMT 21 Feb 79 PA

[Excerpt] Bogota--The Italian Government today demanded international cooperation to fight terrorism. Italian Justice Minister Eduardo Esperanza stated after meeting today with President Turbay Ayala in the San Carlos Palace that terrorism is a universal ill and that consequently, there must be international cooperation to face it.

FORMER PRESIDENT CRITICIZES DECISION ON JARRIN

PA211920 Quito Voz de los Andes in Spanish 1730 GMT 21 Feb 79 PA

[Text] The decision by Supreme Court President Gonzalo Karolys to disqualify himself from judging Gen Bolivar Jarrin Cahuenas, charged with being the mastermind of the Abdon Calderon Munoz murder, immediately triggered reactions in legal and political circles. Former Equadorean President Carlos Arosemena said that Karolys made a serious mistake.

[Begin Arosemena recording] The Supreme Court of Justice must look into, study and judge the acts that resulted in the death or murder of economist Abdon Calderon Munoz. (?It is serious) because the way things have been happening, I do not think that there was an Equadorean who thought that Karolys, whom I feel had already made the decision beforehand, would conclude that he, as president of the Supreme Court of Justice, had to [word indistinct] this unfortunate case. This would not have hurt General Jarrin Cahuenas because there is no broader and more solemn forum in Ecuador where he can defend himself than the Supreme Court of Justice. This is also bad for the armed forces because public opinion and especially history will say that this decision, this pronouncement by Karolys, was motivated by a mistaken sense of solidarity, by an effort to seek a more favorable scene for the defense of General Jarrin Cahuenas.

GOVERNMENT TO COLLECT OIL ROYALTIES IN PETROLEUM

PA211721 Quito Cadena del Triunfo in Spanish 1255 GMT 21 Feb 79 PA

[Text] Starting today, the Equadorean Government will collect its royalties from oil production and exports in petroleum, as announced by the Natural Resources Ministry. The decision modifies existing procedures by which royalties were collected in money.

The announcement notes that the new procedure is better for the country's interests at a time when petroleum prices are going up because of the political crisis and labor strikes in Iran, which paralyzed the production of the world's second-largest oil producer. With this new procedure the country will obtain more crude, which it can sell at prices that will be beneficial to the treasury. However, it is not yet known if the government has already negotiated a basic price for the crude oil royalties or if it will apply the official rates that are in force. [sentence as heard]

As is known, the U.S. firm Texaco--the foreign firm that pays the most taxes to the state in this line--has declared a price of only \$12.60 per barrel for the first quarter of this year. If this price is retained, Ecuador could sell the oil at an additional \$6 or more per barrel, according to the current international market prices.

BRIEFS

YELLOW FEVER CONTROLLED--Thanks to the Epidemiology Directorate's efforts and the cooperation of the armed forces, the Pan-American Health Organization and a Japanese mission, the yellow fever outbreak reported in Zamora-Chinshi Province has been totally controlled. [Quito Voz de los Andes in Spanish 1230 GMT 22 Feb 79 PA]

REGIME SHUNS VISIT BY HUMAN RIGHTS COMMISSION

PY211736 Paris AFP in Spanish 1335 GMT 21 Feb 79 PY

[Text] Montevideo, 21 Feb (AFP)--The progovernment daily newspaper LA MANANA revealed today that Uruguay will not recognize any authority of a commission of European and Latin American legislators to investigate the violation of human rights in its territory.

According to reports from Rome, the Fourth European-Latin American Interparliamentary Conference has agreed to the creation of that commission to study the violation of human rights in Argentina, Chile and Uruguay. This commission would be of a permanent nature and its objective would be to promote quick action in cases of serious violations of human rights.

High-level government officials cited by LA MANANA stated that this commission does not represent any authority and has no right to intervene in the domestic affairs of Uruguay. Nevertheless, the newspaper added, its members will be able to visit Uruguay whenever they wish, but by no means will they be recognized as having any authority by the government.

MINISTERS TO ATTEND FIGUEIREDO INAUGURATION

PY170109 Montevideo Cadena de Oro del Interior in Spanish 1500 GMT 16 Feb 79 PY

[Summary] Foreign Minister Adolfo Folle-Martinez and Agriculture and Fishing Minister Jorge Otero will represent Uruguay at the swearing-in ceremony of President-elect Joao Baptista de Figueiredo in Brazil. It was reported that the two ministers may discuss with Figueiredo the possibility of a meeting with President Aparicio Mendez.

STATE COUNCIL PRESIDENT TO VISIT TAIWAN

PY201621 Montevideo Cadena de Oro del Interior in Spanish 1500 GMT 20 Feb 79 PY

[Text] President of the State Council Hamlet Reyes will leave for Taiwan tomorrow on a visit at the invitation of the government. He will meet with high-ranking government officials there, and will return to Uruguay early in March after visiting several areas of that country.

BRIEFS

OIL DRILLING STOPPED--Montevideo, 15 Feb (TELAM)--The Uruguayan Government has decided to stop the search for oil in the Santa Lucia River Basin, 50 kilometers north of Montevideo, as no oil has been found in the area. [Buenos Aires TELAM in Spanish 1535 GMT 15 Feb 79 PY]

GOVERNMENT VIEWS CARTER VISIT AS VICTORY

PA180107 Madrid EFE in Spanish 2317 GMT 17 Feb 79 PA

[By Ruben C. Jauregui]

[Text] Mexico City, 17 Feb (EFE)--Circles close to the Mexican Government today expressed discreet satisfaction over the results of U.S. President Jimmy Carter's visit, which ended yesterday. The satisfaction is based principally on the "comprehension" which, the sources said, the U.S. President had demonstrated toward Mexico's position on oil production and exports. In this respect Mexican officials emphasized Mexico's "great" satisfaction over Carter's public statement that energy sources are the wealth of the people who will use it in any way they see fit.

Some sectors had expected that Carter would receive a promise of increased Mexican oil production and exports to the United States. Diplomatic sources said that the text of the joint communique issued yesterday at the end of Carter's visit was a clear "Mexican victory," since no such commitment was made. Sources close to the government said that the document contains the initial outlines of revised relations, a sort of "new" bilateral "treatment" which takes into consideration Mexico's strength based on oil.

However, the two countries have long, arduous negotiations ahead to establish the bases and forms for these revised relations, said the sources. The sources consulted also emphasized the "equilibrium" with which both parties acted, both in general as well as on the subject of energy during the negotiations held here. On the U.S. side, Carter demonstrated that he does not let himself be influenced too much by those who in his own country are demanding a "hard" line in exerting pressure to obtain Mexico's commitment to supply energy. Meanwhile, Lopez-Portillo appeared to be following the middle ground--between those who advised him to demonstrate reluctance on any negotiations with Carter and those who promoted economic development at any cost.

The joint communique issued at the end of the presidential meeting said that the two governments will discuss the possibility of negotiating on gas and examining the prospects for the sale of crude. On migratory workers, another of the principal bilateral problems, the communique established the commitment to cooperate in searching for an "integral, realistic and long-range solution." On trade, the document committed Carter to making efforts to oppose protectionism and, together with Mexico, to renew efforts to expand interchange. This means that, as had been foreseen, no significant agreement was signed and the visit became an exchange of viewpoints. For many analysts, however, this interchange, in spite of the tension that surrounded Carter's visit, established the bases for the new relations and took the heat off especially sensitive issues.

LOPEZ-PORTILLO DENIES CARTER WAS HARSH DURING VISIT

PA162140 Madrid EFE in Spanish 2022 GMT 16 Feb 79 PA

[Text] Mexico City, 16 Feb (EFE)--Mexican President Jose Lopez-Portillo today denied having been "pressured" by U.S. President Jimmy Carter during their negotiations here. The Mexican chief of state declared at a press conference that Carter "was not harsh at any time, but polite, considerate and generous at all times."

"We tried to relate, but it is difficult to satisfy the interpretations of all interests," he said referring to statements published by U.S. newspapers claiming he was "harsh" with his guest. He said that impression was apparently due to the fact that he did not embrace Carter on his arrival Wednesday. If he had done so, he said, the commentaries would have referred to picturesque Mexican welcomes.

He pointed out that if good will must be expressed by embraces, then during his visit to the United States next summer to continue his talks with Carter, he will give him "a big hug."

CARTER, LOPEZ-PORTILLO EXPRESS CONCERN ON NICARAGUAN CRISIS

PA170016 Madrid EFE in Spanish 2302 GMT 16 Feb 79 PA

[Text] Mexico City, 16 Feb (EFE)--The presidents of the United States and Mexico, Jimmy Carter and Jose Lopez-Portillo, today expressed their "deep" concern over the Nicaraguan crisis. The joint communique released at the end of Carter's visit to Mexico notes that the two chiefs of state "confirmed their decision to continue working through the United Nations and the OAS in searching for a democratic and just solution to the conflict."

Nicaragua was covered in a whole paragraph of the long document, which also underlines the "profound interest" of both chiefs of state "in the crisis affecting the people of Nicaragua and the violation of their most fundamental human rights."

PRESIDENT ANNOUNCES PLANNING, DEVELOPMENT BILL

PA211735 Mexico City International Service in Spanish 0400 GMT 21 Feb 79 PA

[Angel Trinidad Ferreira report]

[Text] President Lopez-Portillo announced today in the city of Queretaro that he will submit to Congress a new planning and development bill aimed at establishing deeper and more just production relations in the country. The president made this announcement while closing the national ordinary meeting of the National Peasant Confederation, CNC.

CNC leader Senator Oscar Ramirez Mijares had said a few minutes earlier that the peasants feel that a new law enabling the state to intervene on behalf of the public interest in the mobilization for and regulation of harvests is necessary to prevent speculation and to satisfy the people's need for staples. This new law would also permit the formation of a production [word indistinct] which commoners, users of public lands [ejidatarios], small owners, cattlemen and industrialists could all join in order to promote agricultural, livestock and industrial production. President Lopez-Portillo announced that he will submit the bill so that it can be debated in Congress. He then stressed that everyone has come to understand that under the agrarian reform it is possible to combine land, work and freedom with productivity and a just distribution of the general wealth.

DEFENSE SECRETARY RELATES OIL TO NATIONAL DEFENSE

PA201533 Madrid EFE in Spanish 0457 GMT 20 Feb 79 PA

[Text] Mexico City, 19 Feb (EFE)--Oil is related to national defense "because it attracts men and people and is a source of envy, friction and war," Mexico's national defense secretary said here today. Gen Felix Galvan Lopez made the statement during a ceremony to mark "soldier's day" at which he reaffirmed the loyalty of the armed forces to President Jose Lopez-Portillo. The militaryman said: "A drop of oil is worth a drop of blood." "Oil is a magnet that attracts men and people. It is an inexhaustible source of envy, friction and war."

The discovery of rich oil deposits worries the Mexican Armed Forces, Galvan said, "because oil is a key factor to bear in mind when considering national defense problems." President Lopez-Portillo [words indistinct] congratulation [word indistinct] of the Mexican Army for fixing the country's position vis-a-vis its hydrocarbons.

PEOPLE'S PARTY TO SEEK REGISTRATION AS LEGAL PARTY

PA190407 Panama City DOMINICAL in Spanish 18 Feb 79 p 11-G PA

[Excerpts] The People's Party [PDP], which has been operating clandestinely since it was declared illegal in 1953, has decided to participate in the registration of supporters in order to legally become a political party. This was officially announced during an interview on 16 February with Miguel Porcell, executive secretary of the PDP Central Committee Politburo. The following are Miguel Porcell's exclusive statements to the newspaper LA REPUBLICA:

You know that our party will celebrate 50 years of existence next year. It is a party that has gone through different phases and periods, that has been persecuted during those years of existence. We can say that it has passed the hard test of clandestinity. Today, it is a party that has a national structure. It is a party that is ruled by the principle of democratic centralism, which means that at the same time that it is a centralized party it has a democratic structure in which all members of the party express their opinions on the main issues of the political line and the party's fundamental problems at a given moment.

Regarding the current political situation, we have been supporting the Panamanian revolutionary process almost since its beginning, with its ups and downs during the first 2 years of the process. In the documents that we approved in the Central Committee plenum, our party clearly declared that we feel that the 11 October coup d'etat was a revolutionary action. It has been slowly changing, developing and consolidating itself until it has become what is today a revolutionary process. We currently support Dr Aristides Rojo's government because we believe that it has continued the anti-imperialist and antioligarchic policy of General Torrijos' government.

Our party's position regarding the opening of the registration of parties under Law 81 of October is the following: Our party has been persecuted by the oligarchic governments. We have always struggled for the legality of our party throughout the country. The problem of the registration of the party is being discussed throughout the whole country. Assemblies of cells, of the local committees and of the zone committees have been held. There have also been regional assemblies. All of this is going to culminate in a national party convention that will not discuss the registration but the way that the registration should be undertaken. The convention to be held in a few weeks will discuss and decide the way we will carry out the registration.

We are a party that guides itself by Marxist-Leninist doctrine. We have what is called the maximum program, whose objective is the construction, in due time, of socialism in Panama.

It is impossible to have a single party. I think this is the worry right now. Although it is true that we have common interests with the Democratic Revolutionary Party, the People's Broad Front Party and other groups regarding strategic objectives in this phase--which is national liberation--it is also true that we do not share the same view on ideological issues. Some groups indicate that their objective is only democratic liberation, national liberation. We propose socialist revolution, socialist liberation, social changes, social revolution in the long term.

FRAMPO REQUESTS AUTHORIZATION TO REGISTER AS PARTY

PA211210 Panama City Domestic Service in Spanish 2230 GMT 20 Feb 79 PA

[Excerpts] The People's Broad Front Party [FRAMPO] today requested authorization from the electoral tribunal to register the 30,000 signatures required by law to legally be recognized as a political party.

According to the electoral law, only 100 signatures are required to request authorization for the registration of a political party. However, more than 1,300 FRAMPO leaders signed the request in question.

The ceremony was held in the office of Luis Carlos Noriega, president of the electoral tribunal, who was accompanied by magistrates Celedonio Guardia and Julio Harris and Everardo Tomlinson, secretary general of the tribunal. The FRAMPO delegation included its secretary general, Renato Pereira, Juan Manuel Castulovich, Cesar Carrasquilla, Mario Arosemena, Luis Arrieta Aleman and Bethania Melendez.

Radio Libertad covered the ceremony. Here are the words of FRAMPO Secretary General Renato Pereira:

[Begin Renato Pereira recording] Mr President of the electoral tribunal: On behalf of the National Council of the People's Broad Front Party and in compliance with the legal provisions regarding the registration of parties, I am herewith giving you all the documents required by the law to request the legal recognition of the party. [end recording]

[Passage omitted] In a political statement delivered to Radio Libertad, the FRAMPO expressed its disagreement with Article 23 of Law 81 dated 5 October 1978 which sets 30,000 as the number of signatures required for the registration of a party and demanded that the National Legislative Council modify the article in question, decreasing the number of signatures to 20,000. The FRAMPO also expressed its support for the abolition of the bureaucratic control of the present registration system that prevents the active participation of political parties in the process of being created. The FRAMPO statement adds that the fact that only one official, the district electoral clerk, determines who, when and where registration will be made, is an offense to the cultural, educational and political achievements made by the citizenry.

LIBERAL PARTY LEADERS DISCUSS REGISTRATION

PA172030 Panama City Circuito RPC Television in Spanish 1800 GMT 17 Feb 79 PA

[Text] The Liberal Party leadership met until 0200 this morning and approved a draft resolution presented by party President David Samudio. The resolution authorizes the party to present a request for registration when the leadership so decides, after taking steps to unite the party and allied democratic groups. The resolution also authorizes the appointment of a registration committee to carry out this activity. Another authorization contained in the resolution concerns the Liberal Party's participation in a national agreement to struggle for the effective democratization of the system of government together with all political groups. A commission will be appointed for this purpose. This commission will represent the Liberal Party in the establishment of this agreement, which must be approved by the national party board.

When Samudio was asked about the possibility of divisions in the party, he emphatically said that there was no chance that this would occur as the resolution was approved by the entire national party board.

LIBERAL PARTY'S SAMUDIO ON REGISTRATION, NATIONAL FRONT

PA211316 Panama City Circuito RPC Television in Spanish 2300 GMT 20 Feb 79 PA

[Interview conducted by Fernando Eleta Casanova with David Samudio, president of the Liberal Party Directorate, on 20 February in Panama City--recorded]

[Excerpt] [Question] Some opposition groups believe that the registration of a political party is an act of recognition of the current political and government structure. Some people even say that Dr Arias shares this view. What is your view on the registration of the Liberal Party?

[Answer] The Liberal Party believes that its registration to obtain legal standing does not in any way mean a link with or recognition of the current government regime. I want to be very clear. The Liberal Party does not want any links with the current government. On the contrary, the Liberal Party wants to register in order to participate in political activity to oppose this government. We believe there must be a change in the government's political structure in order to solve the grave national problems. The registration of a party does not mean that one is playing into the hands of a government. We want to register in order to undertake an opposition to the current government.

[Question] There has been talk of a great national agreement. What would be the principles of struggle of this great national front?

[Answer] That national front must have objectives. The main objective is to struggle for a change in the government's political structure. We want the national constitution to be reformed, mainly in the legislative sector. (If there is no change) in the legislative system, the distrust of the government will continue and the private sector will not make investments because it believes that investments are not duly guaranteed.

The form of legislating, of issuing laws overnight, is the main cause of the decrease in private investment. You know what the Panamanian economic situation is. The Panamanian economy is stagnant. Instead of growing, there has been a contraction in various economic sectors. The only way to achieve an economic reactivation is through private investment. That is why we maintain that as long as there is not faith in the institutions, we will not achieve a real change in the Panamanian economy. The Panamanian economy is the one that should produce the necessary resources to attend to the social demands. That is why the Liberal Party feels that we need changes in the constitution in order to have a truly democratic country.

This is the objective. We then have to decide on the way in which decisions will be made. These are the essential issues in the national agreement.

[Question] Can the Liberal Party and the Panamenist Party both be included in that national agreement?

[Answer] Yes. The Panamenist Party is a powerful party with a charismatic leader who has great popular support. It is unquestionable that if the national front does not include the the Panamenist and Liberal parties, it will not have the strength needed to press for constitutional solutions. I do not see any difficulty in the participation of Panamenism and Liberalism. We have been adversaries in political contests in the past but now we are not in an electoral struggle. Instead, we are involved in a struggle for institutional reforms.

COSTA RICA

OPERATION PLANNED AGAINST SANDINISTS, NICARAGUAN GUARDSMEN

PA221559 San Jose Radio Reloj in Spanish 0100 GMT 22 Feb 79 PA

[Text] Interior Minister Juan Jose Echeverria Brealey announced this afternoon that the Interior Ministry will initiate a large-scale operation, which high-ranking authorities have codenamed "checkmate," on Sunday. On Saturday, public forces will be sent to the northern area with express instructions to stage a cleanup operation against members of the Sandinist National Liberation Front [FSLN] and members of Somoza's National Guard if they are encountered.

Many observations and calculations have been made by those planning the operation, who say that on this occasion the public forces will give no quarter.

Tomorrow, the OAS, through its commission of observers, will be given the details of "operation checkmate," which is to be carried out along the entire length and breadth of the Nicaraguan border. The public security minister has said that a document outlining the operation will be given to the observers commission tomorrow. The plan provides for the elimination, as necessary, of FSLN members who are on national territory. The same applies to members of Somoza's National Guard if they are encountered on Costa Rican soil.

TUNA INDUSTRY POSITION WITH MEXICO REAFFIRMED

PA221651 San Jose Radio Reloj in Spanish 1200 GMT 22 Feb 79 PA

[Text] Economy, Industry and Commerce Minister Fernando Altmann Ortiz has been in Mexico and held a 10-hour meeting with Mexico's fisheries secretary [as heard] to discuss tuna-related matters. Referring to this meeting, Minister Altmann stated that the two nations reaffirmed their position regarding the tuna industry. He added that the U.S.-imposed embargo on Costa Rican tuna continues as a reprisal for the seizure of some ships.

PUBLIC FORCE DIRECTOR APPOINTS NEW OFFICERS

PA211257 San Jose Radio Reloj in Spanish 0100 GMT 21 Feb 79 PA

[Text] Public Force Director General Col Fernando Munoz presented new officers to the Public Force High Command. They are Lt Col Rolando Francis Brennes, Civil Guard deputy director general; Col Edgar Gutierrez, radio patrol car director; Col (Willy Brilly), radio patrol car deputy director; Maj Oscar Bermudez, rural precincts director; and Col Guillermo Rojas, metropolitan precincts director.

EL SALVADOR

JAPANESE TRADE REPRESENTATIVES BEING WITHDRAWN

PA221947 Paris AFP in Spanish 0209 GMT 22 Feb 79 PA

[Text] San Salvador, 21 Feb (AFP)--Representatives of JETRO, an organization that promotes Japan's foreign trade, said here today that they are being withdrawn from El Salvador effective today by decision of their home office in Tokyo. A JETRO spokesman said the decision was adopted because the Japanese in El Salvador "have no protection."

As evidence of this, the spokesman pointed to the kidnaping and assassination of Fujio Matsumoto last May and the kidnaping of Takakasu Suzuki in December 1978. The two were executives of the synthetic industries of Central America, an industrial consortium funded with joint Japanese and Salvadoran capital.

The self-styled clandestine Armed Forces of National Resistance (FARN) claimed credit for the two kidnapings.

The JETRO members added that all the equipment from their offices has been donated to a local charitable institution. The withdrawal of the JETRO members implies that Japanese technicians who are advising the Salvadoran Government will leave later.

The FARN is still holding Suzuki since the Salvadoran Government denies it is holding the political prisoners whose release the FARN is demanding in exchange for the Japanese.

HONDURAS

NICARAGUAN VIOLATIONS OF HONDURAN AIRSPACE PROTESTED

PA221830 Panama City ACAN in Spanish 1507 GMT 21 Feb 79 PA

[Text] Tegucigalpa, 21 Feb (ACAN-EFE)--The Honduran Government yesterday filed a formal protest with the Nicaraguan Government denouncing violations of Honduran airspace by Nicaraguan warplanes. This announcement was made in a brief communique from the Public Relations Office of the governing military junta given to ACAN-EFE today.

The communique limits itself to notification of the protest and to stating that "the Honduran Government trusts that this type of action, that goes against traditional relations between the two countries, will not happen again."

Contrary to the usual foreign policy practice of most countries, the Honduran Government did not give the news media a text of the protest or give details as to how or when the violations occurred.

Honduran newspapers and radio stations with correspondents on the Nicaraguan border have reported that Nicaraguan Air Force planes made very low flights 5 km inside Honduran territory on 2 February. It has also been charged that on 15 February a Nicaraguan helicopter entered 13 km into Honduran territory and dropped bombs and machinegunned several rural homes, destroying a cattle herd in San Lorenzo village in Honduras' Choluteca Department on the Nicaraguan border.

The Managua government has denied the Honduran reports. It stated that it is not true that its air force enters the territory of neighboring countries with hostile intent.

NO DEADLINE TO REACHING BORDER ACCORD WITH EL SALVADOR

PA200425 Panama City ACAN in Spanish 2320 GMT 19 Feb 79 PA

[By Armando Cerrato]

[Excerpts] Tegucigalpa, 19 Feb (ACAN-EFE)--Jose Luis Bustamante y Rivero, former Peruvian president and mediator in the Honduran-Salvadoran border conflict, said here this afternoon that there is no exact and definite deadline for Honduras and El Salvador to sign a general peace treaty. The mediator, who has also presided over the International Court of Justice, arrived in Tegucigalpa today for a 7-day visit to Honduras. He will visit the border area with El Salvador "to inspect the disputed terrain."

Bustamante y Rivero avoided elaborating on the mediation efforts because "the agreement is wise: It asks the mediator to be impartial and reserved and to act with justice." He also declined comment on Salvadoran Foreign Minister Antonio Rodriguez Porth's statement that all disputed territory belongs to El Salvador. "I have no knowledge of that statement. Furthermore, it is of a political nature and the mediator must not participate in politics. I am authorized only to bring the conflicting parties closer together and to recommend the solution that I consider most appropriate for the signing of a peace treaty."

He added that "neither Honduras nor El Salvador can claim that I have said one word that would constitute an advance recommendation in favor or against. Therefore, the advice that I will give will be all new, without the interference of any prior opinion."

He emphasized that he has observed great desire to reach a reasonable understanding in Honduras as well as in El Salvador. There is a desire for an agreement and for peace, he said. He added that during the 15 days that he will spend in Honduras and El Salvador, he will inspect firsthand all that he has already learned from written documents and about which he will hear during the oral stage. Bustamante y Rivero said that one could say that half the work has been accomplished successfully. The other half is naturally difficult, but that it is also true that it will be done with a sense of the benefit of peace, he said. He added that if the mediation fails, which he does not believe will be the case, there is always the judicial solution, if both countries agree to it.

NICARAGUA

PLN DOCUMENT REJECTS STATE DEPARTMENT CHARGES

PA221649 Panama City ACAN in Spanish 1619 GMT 22 Feb 79 PA

[Text] Managua, 22 Feb (ACAN-EFE)--The governing Nationalist Liberal Party [PLN] has rejected what it considers an unjust charge made by the U.S. State Department that the commission mediating the Nicaraguan crisis withdrew because of President Anastasio Somoza's unwillingness to accept the commission's suggestions.

The commission, which was comprised of diplomats from the United States, Guatemala and the Dominican Republic, remained in this country from October to December of last year, seeking acceptance of a peaceful formula to resolve the political crisis. The members of the commission gave up their mission, considering that their efforts to reconcile the government and the Broad Opposition Front (FAO) had failed.

The proposed formula provided for holding a plebiscite in which the Nicaraguan people, who are involved in an internal war, would have decided whether Somoza would remain in power until 1981, when his second presidential term expires. The FAO accepted the proposal, but the government and the PLN rejected the provisions obliging Somoza, his brother Jose and his son "Tachito," who have high posts in the army, to remain outside of the country during the popular consultation, which would have been held in January.

Somoza also refused to agree immediately to relinquish power to the FAO political coalition on the grounds that [the extent of] its popular support is unknown. Instead, he called for a constituent assembly, following registration of the citizenry, if the plebiscite were unfavorable to him. The opposition rejected this point.

The final proposal submitted by the negotiators--which reportedly had been approved by the OAS and which retained some of the FAO's demands that had been modified by the mediators--was rejected outright by Somoza and the PLN, which described it as a form of intervention and as a violation of the constitution.

Today, Thursday, the Liberal Party issued a new statement in which it states that the plebiscite had always been Somoza's idea. The statement says that it was an unfortunate unilateral decision by U.S. mediator William Bowdler to end the friendly cooperation in Nicaragua which brought obvious benefits to the country, having reduced violence.

"The PLN cannot accept the unjust allegation made by a U.S. [State] Department spokesman regarding the president's unwillingness to accept the basic portion of the friendly commission's latest proposal," the document says. The party notes the frank cooperation offered to the negotiation group, as demonstrated by measures adopted by the Nicaraguan Government to create an appropriate climate for the commission to carry out its mission.

It adds that the PLN studied each of the proposals made by the international mediators and that a counterproposal submitted by the Liberals on 26 December and reiterated in a note on 17 January 1977 [as received] "has not yet been answered."

"Therefore, the blame for the 'impasse' cannot be attributed solely to the Nicaraguan Government since the commission has not even submitted our counterproposal to the FAO to give it the opportunity of making a pronouncement," the PLN political commission adds. The document then states that "the PLN notes with surprise that the U.S. Government is trying to use forms of pressure against Nicaragua, such as the measures that have been announced to apply pressure on our country's sovereign will."

The U.S. Government has applied certain measures that are considered to be economic sanctions and has withdrawn the members of its military mission, the Peace Corps and some staff members of its embassy in Managua.

"It is incredible," the document states, "that the U.S. Government should try to justify or base its position on the Nicaraguan Government's alleged unwillingness to accept the proposal of the mediators or on assessments of the domestic affairs of a country that has long been its traditional friend."

NEW POPULAR UPRISING REPORTEDLY IN OFFING

PA221623 Paris AFP in Spanish 1158 GMT 22 Feb 79 PA

[By Beatrix Denis]

[Text] Mexico, 22 Feb (AFP)--Signs of an approaching new popular uprising in Nicaragua were increasingly evident here today to local political analysts. Proof, they said, is the meeting President Anastasio Somoza, well known for his calmness, held on Wednesday with his General Staff to review a situation that has been described as "masked insurrection" [insurreccion larvada].

Of course, yesterday, 21 February, was a special date. It was the 45th anniversary of the assassination of Nicaraguan independence hero Augusto Cesar Sandino, whose name is used by the liberation front as a banner in the struggle against Somoza's government.

Burgeoning gunfire and bombings were noticeable in the country throughout the day despite extensive National Guard operations aimed at easing the tension as well as mass arrests of youths suspected of belonging to the Sandinist National Liberation Front [FSLN].

The first FSLN faction, the Prolonged People's War, has claimed credit for the attack last Tuesday that culminated in the killing of Federico Davidson, who was one of those responsible for shooting Sandino in 1934.

The FSLN has the political support of the National Patriotic Front, which groups all leftist and moderate parties that unabashedly demand the exile of Somoza and his family. The FSLN reiterated on Wednesday in Mexico that the struggle will be waged "without quarter and until final victory."

The blind repression by the National Guard, whose members are increasingly confused by the constant guerrilla warfare waged by the FSLN, further fuels the wrath of the people, who are only waiting for arms to rebel again, said exiled sources in Mexico. Even women swore to fight to the death during a news conference they held here yesterday, during which they gave details on the fearsome events that have taken place in their country.

Arms for insurrection have already been requested abroad by FSLN spokesman Bayardo Arce during an interview with a Palestinian magazine published in the Lebanese capital. Arce asked for "arms and medicine" because some of the guerrillas in northern Nicaragua are sick from "mountain leprosy," a disease caused by a parasite that destroys the skin.

According to reports from Costa Rica, 110 violent deaths for political reasons, 183 arrests by the National Guard and hundreds of "provisional arrests" occurred in Nicaragua in January. In the opinion of analysts, this "escalation of repression," as the opposition describes it, could evolve into armed desperation [as received] soon.

GOVERNMENT SEEKS REFINANCING FOR PUBLIC DEBTS

PA221736 Panama City ACAN in Spanish 1430 GMT 22 Feb 79 PA

[Text] Managua, 21 Feb (ACAN-EFE)--The Nicaraguan Government has sent a technical mission to the United States to arrange with private U.S. banks to negotiate its financial obligation on which payments were suspended in November. Ruben Garcia, vice minister of finance and public credit, and Carlos Muniz, manager of the Nicaraguan Central Bank, comprise the mission, which left for Washington today for that purpose.

Gen Anastasio Somoza's government has requested refinancing the obligations of the central government, the Housing Bank and the National Development Institute pending a strengthening of the country's balance of payments and a return of the flow of foreign capital to pre-1978 levels, a year of intensive political upheaval that affected the country's macroeconomy.

A governmental source reported here today that preliminary feelers put out prior to the state officials' trip were well accepted by representatives of the creditor banks in New York and that a committee of these creditors will give a definitive answer soon.

A news dispatch from New York indicated yesterday that the Nicaraguan Government was seeking to formalize lines of credit for up to \$88 million with private U.S. banks in order to meet its overdue financial obligations. According to the report, the climate for these negotiations was not entirely favorable.

MARITIME TRANSPORT PROTOCOL CONCLUDED WITH USSR

FL171728 Havana Domestic Service in Spanish 1705 GMT 17 Feb 79 FL

[Excerpt] The annual protocol which regulates transportation and port operations as a result of trade and mutual cooperation between Cuba and the Soviet Union has been ratified for 1979. The document was signed by First Vice Minister of Transportation Gumersindo Gonzalez Feliu and (A.B. Voldobekov), Soviet deputy minister of the maritime fleet. The protocol calls for a substantial increase in shipping between the two countries and its technological improvement. Guillermo Garcia Frias, member of the PCC Politburo and vice president of the Councils of State and Ministers, and Transportation Minister Antonio Enrique Lusson received the Soviet deputy minister of the maritime fleet upon his arrival in Cuba, where he has visited Cuban maritime and port installations and places of historic interest. Ships from two shipbuilding enterprises of the Soviet merchant fleet carried 51 percent of the Cuba's total maritime cargo in 1978. Over that period, 881 ships of that fraternal country arrived in our ports with various cargoes in an obvious demonstration of proletarian internationalism. The USSR merchant fleet currently consists of more than 1,500 oceangoing ships, with a gross tonnage of more than 15 million.

COOPERATION DOCUMENTS SIGNED WITH HUNGARY

FL162013 Havana Domestic Service in Spanish 1902 GMT 16 Feb 79 FL

[Text] A ceremony was held this morning at the Sierra Maestra Hotel in Miramar [in Havana City], at which the cooperation documents resulting from the eighth Cuban-Hungarian intergovernmental meeting were signed. Pablo Fernandez, vice minister of the Cuban Iron and Steel Machinery Industry Ministry, and his Hungarian counterpart, M. Gacsi, signed the agreement, while Jose R. Fernandez, vice president of the Council of Ministers, and Gyula Szeker, head of the Hungarian side, signed the final document. Jose Ramon Fernandez, member of the Central Committee and vice president of the Council of Ministers, stressed the importance of the agreements which lay the foundations in the iron and steel machinery industry for the coming years. For his part Gyula Szeker stated that he believes relations between Cuba and Hungary are very satisfactory, and he expressed his thanks for the warm welcome shown him and his delegation.

CREDIT, ASSISTANCE AGREEMENTS SIGNED WITH BELGIUM

FL171317 Havana Domestic Service in Spanish 1100 GMT 17 Feb 79 FL

[Text] An intergovernmental agreement by which Belgium grants a government credit to Cuba has been signed in Brussels by Hector Rodriguez Llompart, president of the Cuban State Committee for Economic Cooperation and the Belgian foreign trade and finance ministers, Hektor de Bruyne and Gaston Geens, respectively. Other agreements also were signed calling for Belgium to supply equipment and assistance in education and agriculture in our country.

FAR MINISTER GEN RAUL CASTRO VISITS USSR

Departs Cuba

FL211219 Havana Domestic Service in Spanish 1145 GMT 21 Feb 79 FL

[Text] Army Gen Raul Castro, second secretary of the PCC Central Committee and minister of the Revolutionary Armed Forces [FAR], yesterday left for the USSR at the head of a military delegation from our country.

Our Commander in Chief Fidel Castro, first secretary of the PCC Central Committee and president of the Councils of State and Ministers, went to the airport to bid him farewell. Div Gen Senen Casas, member of the Central Committee and [FAR] first vice minister-chief of the General Staff, and other FAR officers and chiefs were also at Jose Marti International Airport. Nikita Tolubeyev, USSR ambassador to Cuba, and Col Guivi Ordzhonikidze, army, navy and air attache at that diplomatic mission, were also present.

The military delegation headed by the FAR minister will pay an official and friendly visit to the USSR in response to an invitation from Marshal of the Soviet Union Dmitriy Ustinov, member of the CPSU Central Committee Politburo and USSR minister of defense.

Arrives in Moscow

FI211846 Havana Domestic Service in Spanish 1700 GMT 21 Feb 79 FL

[Text] Moscow--Army Gen Raul Castro, member of the Politburo and second secretary of the PCC Central Committee, today arrived in this capital at the head of a military delegation for a friendly visit to the USSR. The first vice president of the Councils of State and Ministers and minister of the Cuban Revolutionary Armed Forces [FAR] was received at Vnukovo airport by USSR Marshal Dmitriy Ustinov, member of the CPSU Central Committee Politburo and minister of defense.

The Cuban delegation was also received by Konstantin Rusakov, secretary of the CPSU Central Committee; Nikolay Ogarkov, first deputy minister of defense and chief of General Staff of the Soviet Armed Forces; and Army Gen Aleksey Yepishev, chief of the main political directorate of the army and navy.

Marshal Sergey Sokolov, USSR first deputy minister of defense, vice ministers of this ministry and other top Soviet military officers were also at the welcoming ceremony. Cuban Ambassador to the USSR Severo Aguirre del Cristo, member of the PCC Central Committee and Council of State, and Col Jose Quevedo Perez, army, navy and air attache of the Cuban mission, were on hand for the Cuban side.

After receiving the appropriate honors from a detachment from the Moscow garrison playing the national anthems of the two countries, Raul Castro and Ustinov reviewed the troops participating in the welcoming ceremony.

The USSR Supreme Soviet today presented Raul Castro Ruz, minister of the FAR, with the Order of Lenin. The decree states that the award was granted for his great merits in developing and strengthening friendly relations between the armed forces of the USSR and the FAR of the Republic of Cuba. The decree by which the high award is granted was signed by Leonid Brezhnev and Mikhail Georgadze, chairman and secretary, respectively, of the USSR Presidium Supreme Soviet.

Meets With Marshal Ustinov

LD212313 Moscow Domestic Service in Russian 1600 GMT 21 Feb 79 LD

[Excerpt] A Cuban military delegation led by Gen Raul Castro Ruz, member of the Political Bureau, second secretary of the Communist Party of Cuba Central Committee, first vice president of the Council of State and of the Council of Ministers and minister of the Revolutionary Armed Forces, arrived in Moscow today for an official friendly visit at the invitation of Marshal Dmitriy Ustinov, member of the CPSU Central Committee Politburo and Soviet minister of defense.

Visits Star City

FL221621 Havana Domestic Service in Spanish 1602 GMT 22 Feb 79 FL

[Text] Army Gen Raul Castro, minister of the Cuban Revolutionary Armed Forces today visited Star City [Ciudad Estelar] near Moscow, the USSR capital. Air Marshal Pavel Kutakhov, deputy minister of the USSR Armed Forces, top military chiefs and numerous cosmonauts who live in Star City welcomed the Cuban leader. Raul and the delegation accompanying him listened to extensive briefings on the training of future cosmonauts in the installations located there. They viewed the [space] ships and the museum in the Culture House. Raul is accompanied by Vilma Espin, member of the PCC Central Committee and Cuban Council of State and president of the Federation of Cuban Women.

FIDEL CASTRO CHAIRS CLOSING SESSION OF PLANNING MEETING

FL171337 Havana Domestic Service in Spanish 1145 GMT 17 Feb 79 FL

[Text] Our Commander in Chief Fidel Castro yesterday chaired the closing session of the national meeting on implementation of the economic management and planning system held at the Karl Marx Theater. The first secretary of our party and president of the Councils of State and Ministers was accompanied by other members of the PCC Politburo and Central Committee and officials of the party, state and government.

During the plenary meeting, the 11 committees created for it examined matters related to planning, finances, statistics, prices and other elements of the system. The reports introduced at the meeting were approved unanimously.

Humberto Perez, member of the PCC Central Committee and president of the Central Planning Board [JUCEPLAN], made the closing remarks. The economic leader recalled how this review process had been done, saying it began in budgeted enterprises and units, continued with municipal and provincial meetings and concluded with this national plenary meeting.

Perez pointed out that the important thing of this process was the participation of the comrades who enthusiastically and actively are tackling the implementation of all the formulas in the systems, procedures, methodologies and, in general, in all the mechanisms concerned with the economic management and planning system. He said that instead of showing the good points of the economic management planning system, an attempt was made during this review meeting to identify existing difficulties and to find the answers to solve them.

The JUCEPLAN president made a critical and general assessment of the process to implement the new economic management and planning system. He cited examples to show each of the existing difficulties and problems and spoke of the achievements made so far. He pointed out that if we act as we should, encouraged by the mistakes more than the correct things we have done so far, and encouraged by the delays more than by the advances and by the unsolved problems more than those that have been solved, we would be guaranteeing the success of this important task and fulfilling the guidelines and resolutions of the party.

[Begin Perez recording] If we continue working on this process as we have done so far, we can be certain that we will experience the (?great) satisfaction of reporting to the second party congress, which will be held in late 1980, that the resolutions of the first party congress on implementation of the economic management and planning system have been fulfilled. Thank you very much. [applause] [end recording]

RODRIGUEZ ADDRESSES FIRST NATIONAL RADIO FESTIVAL

FL201915 Havana Domestic Television Service in Spanish 0154 GMT 20 Feb 79 FL

[Speech by Carlos Rafael Rodriguez, member of the PCC Politburo and vice president of the Councils of State and Ministers, inaugurating the "First National Radio Festival" at the Lazaro Pena Auditorium in Havana City--live]

[Excerpt] Comrades on the dais, comrade participants in the First National Radio Festival, comrades all: At this time, no revolutionary voice can be raised if his first words are not to proclaim with energy and firmness the complete solidarity of our people with that fraternal, heroic and courageous people who, after having to devote all of their energy and capacity for sacrifice to resist and defeat the most powerful concentration of forces that North American imperialism has ever organized in any of its military endeavors, now have to interrupt their peaceful work of reconstructing their devastated homeland--the respectable work of building communities and schools, developing factories and taking care of their children--to return again to the trenches to defend the national territory in the face of the cowardly, miserable and treacherous attack by the Chinese leadership. The latter have thus irrefutably demonstrated the hegemonic and expansionist nature of their foreign policy. They are trying to do in Vietnam through their overwhelming numerical superiority and accumulation of powerful military resources what the North American imperialists--whom the Chinese clique not only serves but also encourages to practice a suicidal policy which would only serve the sinister interests of Beijing and would lead the world to a new and devastating world war--were unable to do in the past.

To Vietnam again goes our solidarity, and again we say that we feel that we are in the same trench, although we are half a world apart. [prolonged applause]

The aggression against Vietnam, comrades, can be considered to be within the context of the deep crisis of the policy of imperialism and that of those who join it and follow it. Just a few days ago, the Iranian people demonstrated that an incredible accumulation of the most modern weapons was not enough to impose the tyrannical will of the shah and an oligarchic minority. Neither the billions of dollars that the shah spent to acquire the most advanced military technology of the West, nor the advice of thousands of North American specialists, nor the advice of the CIA were enough to stop the outburst of a people determined not to continue suffering.

The overthrow of the shah constitutes the most important defeat of North American imperialism in that area and goes along with the deadlock in the Camp David negotiations, the growing discredit of As-Sadat and the internal crisis of the reactionary Zionist leaders.

The events in Iran are a new link in the chain of historic events that include the great popular victory of Angola, the development of the revolution in Mozambique, the firm positions of the Zimbabwe Patriotic Front and of the Namibian national liberation front, the South-West Africa People's Organization, the profound Ethiopian revolution, the shameful defeat of the Somali invasion of Ogaden and of the aggressive policy of Siad Barre, the steadfastness front conference in Damascus, the Baghdad conference, the internal strengthening of the People's Republic of Yemen, the beginning of the economic, political and military unification of Syria and Iraq and, lastly, the deep turmoil that in Kampuchea swept away the criminal and insane clique of Pol Pot and Ieng Sary.

These certainly have been ill-fated days for imperialism as a system.

However, all these historic victories which give shape to a balance of forces favorable to the interests of national liberation and peace on the eve of the sixth summit conference of the nonaligned countries cannot make us forget that the battle still will be long, difficult and costly.

Imperialism still has extraordinary economic, political and military resources. The same difficulty that the U.S. President has in carrying forth his indecisive policy on the signing of the agreements called SALT II, the open support being received by the executors of apartheid and racial domination in Namibia and Zimbabwe, the fabulous increase of military budgets in the United States and NATO countries and the search for new and more destructive weapons make us remember that we still find ourselves in full battle. In this battle, comrades, the ideological struggle, the struggle for information and the effort to politically develop our people have to play a role of the first importance. Within this context, the national radio and television mechanisms are and must increasingly continue to be powerful popular instruments to spread our truth, disseminate our ideology, make our policies reach the most remote corners of this country and the world and, at the same time, raise the scientific, artistic and cultural level of our people as an example of the permanent development of our process of building a socialist society.

The radio and television leadership organizations and the representatives of their workers have had the fortunate initiative of deciding to hold a national radio festival every year, such as the one we are inaugurating tonight. The festival should become the means by which the meeting and exchange of views between the creators with the most prestige among your comrades and between radio workers at all levels and their representatives will contribute to consolidate successes, eradicate mistakes and make our work advance.

The festival now is an internal affair, a national one. But very soon the festivals certainly can count on the participation of friendly artists and officials from all parts of the world, who will come here to share with us their experiences and undertake a creative interrelationship of cultures and artistic expressions.

It is well known that the mass communications media have become a field of struggle for the forces of progress and reaction. A monopoly on the broadcasting and communications media, particularly the press, radio and television, is one of the most powerful instruments in the hands of the dominant classes to maintain their domination and to complement the brutal political and military repression wherever it is still possible for them to preserve democratic appearances.

In the first years, Fidel said, they had married us to lies. In effect they sowed among us and our people false concepts of international life and of the history of our own country through private as well as public schools, political forums and, above all, through the daily degrading and distorted message of the press, radio and television.

From the beginning, Cuban radio was an adequate tool for use to separate the people from their path of the necessary struggle, to raise false values, to repeat conventional lies designed to obstruct our minds and poison our youth with a program full of false interpretations. It also was aimed at perpetuating the domination by imperialism and the oligarchy which controlled us at their service.

However, Cuban radio also has great traditions that express the history of the powerful progressive trends that came together during that phase that began on 26 July 1953, continued with the GRANMA and in the Sierra [Maestra], began to culminate victoriously on 1 January 1959 and climaxed in our victorious socialist society.

Combatants for the liberty, democracy and national independence of our country understood the value of radio in time and always sought to reach it to convey their message to our people. There are many examples of voices that tried to open a way in the face of the tight network of the radio monopoly so as to carry a different message, overcome the long (history) of demagoguery and the echo of the submissive and beaten. Tonight, let us merely recall two uppermost voices that left their mark before the definitive and guiding voice of Comrade Fidel Castro emerged in our country. Let us mention today the radio work of Eduardo Chivas [applause], who represented the Populist Liberal view, and that other systematic work, the work of Salvador Garcia Aguero [applause] which picked up the revolutionary, Marxist and Leninist word delivered through the efforts of the Popular Socialist Party.

However, radio was closed to those who advocated substantial changes and profound alterations in the national situation. When the representatives of the revolutionary thinking of the working class broke the siege on socialism...[Rodriguez corrects himself] the siege on silence, every cent of the workers' effort had to be used to create Radio 1010. [applause]

At that time, however, the oligarchy showed that the false representative democracy does not hesitate to remove the public veil with which it covers itself when it comes to defending the nature of the oppressive regime. Radio 1010 was closed and destroyed. Those who, whether or not followers of socialism, made their voices or songs heard or carried their musical message to the workers through the station, lived for many years subject to fear, observation and persecution from those who did not forgive them for that attempt to use the radio as an emancipating instrument.

That is why we had to wait for the 10 combatants of the Sierra Maestra so that the definitive, liberated voice in a territory definitively liberated by the revolution led by Fidel could reach our people through Radio Rebelde, whose 20th anniversary we commemorated just a few months ago. [prolonged applause]

Comrades: These militant traditions give us the best of the past which you, central figures in the current battles, must endeavor to continue.

A new structure already has been established this year that helps those working in radio make more rational use of material and human resources. Work also is being done to organize new mechanisms such as the Cuban Radio Agency and implementation of authors' rights. A pay system more in line with the nature of your work is under study. And, through a methodological standardization of programming, a method has been established for systematic handling of programs.

In the year just ended, Cuban Radio, television and press had two tasks that tested their capability to organize communications and inform our people--the 11th World Youth and Student Festival and the celebration of the 20th anniversary. Soon you will be faced with an event of international significance that will center on our country. Historically enhanced by the work of the revolution and the historic presence of Fidel, [applause] [Cuba will be the focus of] the attention of all countries of the world. I refer to the sixth summit conference of the nonaligned countries movement. [applause]

The sixth summit conference will require a technical effort, will demand a political response and, therefore, will require that all of you--directors, programmers, artists and those who handle information and ideological programs--remain equal to the great responsibility that this event has thrown on Cuba. The leadership of our party and government are certain that the radio workers and their political and administrative leaders will victoriously overcome this new challenge. [applause]

MALMIERCA OPENS INTERNATIONAL CONFERENCE SERIES

FL170157 Havana Domestic Television Service in Spanish 0100 GMT 17 Feb 79 FL

[Text] This afternoon in the Central Organization of Cuban Workers [CTC] Ernst Thaelmann Hall, the conference series called International Fridays, which is organized by the CTC, opened. The first presentation was given by Isidoro Malmierca, member of the PCC Central Committee and minister of foreign affairs. In his presentation the Cuban foreign minister discussed the upcoming nonaligned meeting, which will be held in our country in September. Malmierca stated that a total of 25 countries participated in the first summit, and that 86 participated in the fifth summit held in Colombo, the capital of Sri Lanka. The foreign minister also discussed the importance of holding the sixth nonaligned summit in Cuba, pointing out important historical background information on the [nonaligned] movement. Comrades from the CTC International Relations [Department] and numerous guests from the Cuban Institute of Friendship with Peoples--ICAP--and the Foreign Ministry--MINREX--attended the conference.

FIDEL CASTRO MEETS WITH VISITING LEBANESE DELEGATION

FL201236 Havana Domestic Service in Spanish 1145 GMT 20 Feb 79 FL

[Text] Commander in Chief Fidel Castro, first secretary of the PCC Central Committee, has received the delegation from the Lebanese National Movement, with which he held talks on the situation in Lebanon, the Middle East and on other topics of international interest. The meeting was held in an atmosphere of mutual friendship and solidarity.

HAVANA TELEVISION INTERVIEWS SRV AMBASSADOR TO CUBA

FL201449 Havana Domestic Television Service in Spanish 0100 GMT 20 Feb 79 FL

[Havana national television interview with Nguyen Huu Ngo, ambassador of the Socialist Republic of Vietnam to Cuba; date and place not specified; questions in Spanish with consecutive Vietnamese translation, and answers in Vietnamese with consecutive Spanish translation--recorded]

[Text] [Question] Could you give us your opinion on the criminal Chinese attack on Vietnam, and how have you viewed the repercussions of this deed? How has world solidarity with Vietnam been demonstrated?

[Answer] Before touching on the question you have asked, we would like to recount the maneuvers of the Chinese leaders. For some time now, the Chinese rulers have carried out their policies against Vietnam because Vietnam is a great obstacle to the Peking leadership's expansionist policy in Southeast Asia. Since 1974, they have occupied our (Huan Sha) Islands, which are called Paracel Islands. And they provoked a very tense situation at the border between the two countries--Vietnam and China. After we had achieved the great victory in South Vietnam, the Peking leaders used the Pol Pot and Ieng Sary gang in Phnom Penh to unleash a war at the border area in southwest Vietnam against our people.

At the beginning of 1978 they, the Peking rulers, unleashed a campaign against us, using the pretext that Vietnam practices (?racism) against the Hua, the Vietnamese of Chinese origin. The Peking rulers believe that through this problem of the Hua, through this anti-Vietnamese campaign, they can unleash disturbances in Vietnam. Through this campaign of provoking a tense situation at the border between Vietnam and China, through the (?cruel war unleashed), through the war unleashed at Vietnam's southwest border by the Pol Pot and Ieng Sary gang, and through the problem of the Hua, the Peking rulers are trying to provoke more difficulties for the Vietnamese people in building socialism in our country and in defending the Vietnamese nation.

As to the earlier [problem] with the Hua, the whole world knows perfectly well what is the turth of the problem with the Hua, Vietnamese of Chinese origin.

After the problems with the Hua and after the great victory achieved by the Kampuchean people on 7 January 1979, the Chinese rulers suffered an overwhelming defeat. Nevertheless they did not learn the necessary lesson. They are still trying to carry out their hegemonistic and expansionistic policy for Southeast Asia. Over the last few days they have concentrated a great force along the border. On 17 January they mobilized a great force along the border. On 17 January they mobilized a great force of infantry, artillery and cavalry to carry out massive attacks along the length of the Chinese-Vietnamese border.

Our people and army in the border provinces have fought bravely against the Chinese aggression. According to the preliminary reports, our army and people put thousands of Chinese troops out of combat and hundreds of tanks were set on fire and destroyed. This is a barbarous attack unleashed by the Peking ruling circles. This aggression clearly shows the hegemonistic and expansionistic policy of the Peking ruling circles. This aggression also shows the barbaric nature of the Peking circles that are against the socialist system, the countries that love peace, the progressive peoples and the interests of all of progressive mankind.

Our people were forced to rise up to struggle in defense of our country's independence and territorial integrity. And we believe that our struggle will achieve final victory, and that the hegemonistic and expansionistic policy of the Peking ruling circles will suffer overwhelming defeat. Vietnam was the cemetery for the expansionistic aggressors.

We are very impressed with the expression of solidarity shown by the Cuban people toward our people, the Vietnamese people. We are certain that the just cause of the Vietnamese people--the present struggle being waged by our people against the hegemonism and expansionism of the Chinese rulers--has and enjoys the aid, support and sympathy of all fraternal socialist countries, peoples who love peace and all progressive mankind.

At this moment our people, just as before, are millions united as a single man, counting on the aid, support and sympathy of the entire progressive world. We will achieve final victory. Hegemonism and expansionism will suffer ignominious defeat. Thank you.

[Question] We thank you, Mr Ambassador, for your remarks to national television news.